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Crop Market Summary

For the week ending Friday, 27-Dec-'19

Crop and Related Prices, Can or US$/tonne, US$/l ethanol

Commodity	Month	This week	Last week	Year ago
SRW Wheat	Mar	204.39	199.24	187.95
HRW Wheat	Mar	176.28	169.85	182.25
HRS Wheat	Mar	203.56	197.22	202.28
CWRS Wheat	Spot	233.00	233.00	n/a
CPS Wheat	Spot	208.24	208.24	n/a
Corn	Mar	153.54	152.65	148.61
Ethanol	Mar	38.07	37.75	34.05
Oats	Mar	187.07	189.34	177.34

Data in red are 12-month highs, blue are 12-month lows, green revised

For price specs. go to: www.open-i.ca/PriceSpec.htm

Oilseeds & Other Prices, Can or US$/tonne or index 27-Dec-19

Commodity	Month	This week	Last week	Year ago
Soybeans	Jan	341.54	341.08	324.36
Soya Meal	Jan	267.97	271.24	280.22
Soya Oil	Jan	765.69	744.97	606.73
Canola	Jan	463.10	468.30	473.80
Crude Oil(WTI)	Mar	61.52	60.37	45.67
Dollar Index	Mar	96.75	97.30	95.96
S&P 500	cash	3,243	3,222	2,485
Canola, new crop	*Nov*	*493.20*	*495.80*	*498.00*
Wheat SRW, new crop	*Dec*	*210.73*	*206.59*	*206.04*
Corn, new crop	*Dec*	*169.48*	*158.16*	*158.65*

COMMENT: Almost all grain prices were higher this holiday week, while oilseed and products were mixed. Wheat prices were higher with larger than expected US wheat sales data for last week and reports of dry conditions for the Russian and Ukrainian winter wheat crops. Without much news specific to coarse grain, corn price tended to follow other grain markets. The week's corn export sales data was in line with trade expectations. Soybeans were about unchanged from a week ago - up early in the week on optimism over a US trade deal with China, down on Friday possibly as a result of weekly soybean export data coming in at the low end of expectations. An increase in the Canadian dollar weighed on canola prices, although very favourable crush margins were supportive.

NEWS: Canadian exports of all crops through CGC licensed facilities to week 19, ending December 15, totaled 16.3 million tonnes (mmt) 8 percent below last year. Domestic disappearance through licensed facilities of 7.9 mmt was almost 12 percent above a year ago. The sum of exports and domestic disappearance is running about 2 percent below a year ago, while farmers' deliveries are more than three percent above last year at this time.

The USDA reported export sales of 0.71, 0.62 and 0.74 mmt, respectively, for wheat, corn and soybeans for the week ending December 12. Cumulative crop year export movements of US wheat, corn and soybeans are 120, 45 and 123 percent of a year ago. Current outstanding export sales of US wheat, corn and soybeans are 87, 119 and 67 percent of last year's level.

In view of the continuing concern about the poor performance of the US in the well publicized Egyptian import tenders, that exports are running 20 percent above a year ago may be a surprise. While Egypt is the biggest global importer of wheat, it is not dominant. Further the USDA is forecasting larger USA exports this year and lower ending stocks even if their global stock forecast is at a record level. US wheat prices have risen 20 percent since September.

The situation for US soybeans, of course, reflects the uncertainty of US Chinese trade relations. While actual soybean export shipments are running 23 percent ahead of a year ago, outstanding export sales are 32 percent below a year ago. One might expect a relative pickup in Chinese import commitments with the confirmation of favourable developments in the Chinese trade front generally seen as being close at hand. That this has yet to show up in data, may be a reason for caution.

OPINION: Attempting to make any Prairie-wide crop comments from weather readings at single locations is challenging any year, but particularly so for 2019. Abnormally dry condition in the Saskatoon area in April and May followed by the converse in June and July suggest favourable conditions for crop development but this was anything but the case in eastern Canada. Prospects for what looked like a good but late harvest was cut short by miserable weather particularly in MB. As for AB, the weather was all over the map all summer. The weather did, however, provide for safe conversation when the same was often the not the same for politics.

Wishing you the very beat in 20 20.

David Walker, Edmonton, AB, CA